

6

HAGOP T. BEDOYAN, CSB NO. 131285
JACOB L. EATON, CSB NO. 244834
LISA A. HOLDER, CSB NO. 217752
KLEIN, DENATALE, GOLDNER,
COOPER, ROSENLIB & KIMBALL, LLP
5260 N. Palm Avenue, Suite 201
Fresno, California 93704
Telephone: (559) 438-4374
Facsimile: (559) 432-1847
Email: hbedoyan@kleinlaw.com;
jeaton@kleinlaw.com; lholder@kleinlaw.com

Attorneys for Debtor-in-Possession

UNITED STATES BANKRUPTCY COURT
EASTERN DISTRICT OF CALIFORNIA, FRESNO DIVISION

In re:
WEST COAST GROWERS, INC.,

Debtor-in-Possession.

Case No.: 15-11079-B-11

Chapter 11

DCN: KDG-1

Further Interim Hearing

Date: April 16, 2015

Time: 2:30 p.m.

Place: United States Bankruptcy Court
2500 Tulare Street, Fifth Floor
Department B, Courtroom 12
Fresno, California

Judge: Honorable W. Richard Lee

Final Hearing

Date: April 21, 2015

Time: 9:00 a.m.

Place: United States Bankruptcy Court
2500 Tulare Street, Fifth Floor
Department B, Courtroom 12
Fresno, California

Judge: Honorable W. Richard Lee

**THIRD INTERIM ORDER AUTHORIZING CASH
COLLATERAL USE AND ADEQUATE PROTECTION AND
NOTICE OF FINAL HEARING**

RECEIVED

April 17, 2015

CLERK, U. S. BANKRUPTCY COURT
EASTERN DISTRICT OF CALIFORNIA
0005500436

On April 16, 2015, the Court held a further continued interim hearing on *Debtor's Motion to Use Cash Collateral and Grant Adequate Protection* (the "Motion") filed by West Coast Growers, Inc. (the "Debtor"). Hagop T. Bedoyan, Esq. of Klein, DeNatale, Goldner, Cooper, Rosenlieb & Kimball, LLP, appeared on behalf of the Debtor. Robin Tubesing, Esq. appeared on behalf of the United States Trustee's Office. Neal E. Costanzo, Esq. of Costanzo & Associates, APC appeared on behalf of secured creditor, Sunbeam Raisin Company. Micaela L. Neal, Esq. of Wanger Jones Helsley PC appeared on behalf of secured creditor, Central Valley Community Bank. Riley C. Walter, Esq. of Walter & Wilhelm Law Group appeared on behalf of numerous secured creditors.

The Court, having considered the Motion and supporting pleadings and declarations, the information presented on the record at the hearing, and having stated findings of fact and conclusions of law on the record at the hearing, and good cause appearing:

IT IS HEREBY ORDERED that:

1. The Motion is granted on a further interim basis through the date of May 2, 2015;

2. The Debtor is authorized to use cash collateral as set forth in the weekly budget attached as Exhibit "A" (the "Budget") with a 10% variance as to each line item in the Budget through May 2, 2015, provided that the Debtor's costs of operation do not exceed \$0.235/lb. per processed pound.

3. The Debtor is authorized to use the cumulative amounts provided in each category in the Budget through May 2, 2015;

4. The Debtor is not authorized to pay George Salwasser any compensation, nor provide him with any other employee-related benefits, unless subsequently approved by the Court;

5. All proceeds received by the Debtor in excess of the expenses authorized by the Budget, with a 10% variance per line item, shall be segregated in a separate debtor-in-possession "Grower Account," with no disbursements allowed without further order of this Court;

1 6. Debtor shall provide Riley C. Walter, attorney for numerous growers, and Kurt
2 F. Vote, attorney for Central Valley Community Bank, with a weekly report identifying the
3 Debtor's actual cash receipts and expenditures, supported by documentation, such as copies of
4 all checks written or withdrawals made and also copies of all deposits made, no later than the
5 Tuesday following the end of the preceding calendar week; provided, however, that the Debtor
6 shall provide Messrs. Walter and Vote notice of all deposits no later than the close of one
7 business day after having made the deposits;

8 7. Subject to the agreement of Messrs. Walter and Vote, on behalf of their
9 respective clients, the Debtor shall be authorized to further use cash collateral beyond May 2,
10 2015, by way of stipulation and order without the need for a further hearing on the Motion,
11 provided that said stipulation with attached budgets are served on the Debtor's 20 Largest
12 Unsecured Creditors, all of the Debtor's grower creditors listed on the Debtor's Amended
13 Schedule D, Central Valley Community Bank, those parties requesting special notice, George
14 Salwasser and the Office of the United States Trustee, one week prior to the expiration of the
15 previous cash collateral budget. Any party wishing to object to further cash collateral use may
16 do so by filing an objection to further cash collateral use and setting the matter for hearing
17 before the undersigned;

18 8. The Debtor shall provide Messrs. Walter and Vote an informal daily estimate of
19 existing inventory levels by email no later than the close of business on the subsequent day.
20 Reports for Friday's inventory level can be provided no later than the close of business on the
21 following Monday;

22 9. Parties shall file a joint statement of disputed issues prior to the final hearing;
23 and

24 10. A final hearing on the Motion shall take place before the undersigned on April
25 21, 2015 at 9:00 a.m.

26 ///

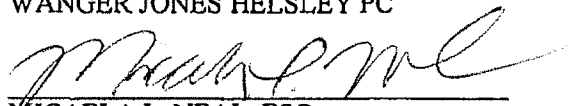
27 ///

28 ///

1 APPROVED AS TO FORM AND CONTENT:

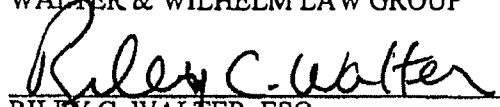
2 WANGER JONES HELSLEY PC

3
4 By:


MICAELA L. NEAL, ESQ.,
Counsel for Central Valley Community Bank

6
7 WALTER & WILHELM LAW GROUP

8
9 By:


RILEY C. WALTER, ESQ.,
Counsel for Various Secured Growers

10
11 ORIGINAL

12
13
14 Dated: Apr 17, 2015

15
16
17 
W. Richard Lee
18 United States Bankruptcy Judge
19
20
21
22
23
24
25
26
27
28

West Coast Growers, Inc Estimated Cash Flows Apr 19 - Apr 25	
Income:	
Cash Receipts	
<i>Gilster Mary Lee (1 loads - 39,900 lbs)</i>	\$ 42,817
<i>CalDak International (6 loads - 257,940 lbs)</i>	\$ 243,000
<i>Shoei Foods (5 loads - 208,026 lbs)</i>	\$ 221,328
	\$ 507,145
Fee CAP - Total Lbs 505,866 x 0.235/lb	\$ 118,879
Expenses:	
Materials @ Std	\$ 23,044
Freight expense - Outbound	\$ 40,000
Hourly Labor - Direct	\$ 13,980
Insider Labor	\$ 3,657
O/S Services - Inspections	\$ 3,000
O/S Services - Pest Control	\$ -
O/S Services - Other	\$ 13,605
Brokerage Domestic	\$ 7,646
Supplies Maintenance	\$ -
Utilities Electric	\$ 275
Utilities Waste Treatment	\$ 329
Payroll Taxes	\$ 1,950
R&M Plant Equipment	\$ -
R&M Forklifts Vehicles	\$ 1,027
R&M Gas Oil & Grease (PROPANE)	\$ -
Supplies Office	\$ -
Supplies Misc	\$ 1,800
Supplies Maintenance	\$ 3,652
Telephone Local	\$ 428
Rent & Lease Other - Copy Machine	\$ 250
Rent & Lease Other - Wireless Internet	\$ -
Property Tax - Plant per lease agreement	\$ -
Insurance General	\$ -
Employee Benefits Insurance	\$ -
Insurance Work Comp	\$ -
Total Expenses	\$ 114,644
Total Transfer to Grower Account	\$ 392,500.56

West Coast Growers, Inc Estimated Cash Flows Apr 26 - May 2	
Income:	
Cash Receipts	
CalDak International (6 loads - 257,940 lbs)	\$ 200,600
Shoei Foods (4 loads - 164,024 lbs)	\$ 177,134
Gilster (2 loads- 79,800 lbs)	\$ 85,632
	\$ 463,366
Fee CAP - 501,764 Total Lbs x 0.235/lb	\$ 117,915
Expenses:	
Materials @ Std	\$ 17,000
Freight expense - Outbound	\$ 35,000
Hourly Labor - Direct	\$ 17,080
Insider Labor	\$ 780
O/S Services - Inspections	\$ 3,362
O/S Services - Pest Control	\$ -
O/S Services - Other	\$ 6,000
Brokerage Domestic	\$ -
Supplies Maintenance	\$ -
Utilities Electric	\$ -
Utilities Waste Treatment	\$ -
Payroll Taxes	\$ 2,000
R&M Plant Equipment	\$ 3,110
R&M Forklifts Vehicles	\$ -
R&M Gas Oil & Grease (PROPANE)	\$ -
Supplies Office	\$ 1,884
Supplies Misc	\$ -
Supplies Maintenance	\$ 755
Telephone Local	\$ 631
Rent & Lease Other - Copy Machine	\$ -
Rent & Lease Other - Wireless Internet	\$ -
Property Tax - Plant per lease agreement	\$ -
Insurance General	\$ -
Employee Benefits Insurance	\$ 30,000
Insurance Work Comp	\$ -
Total Expenses	\$ 117,603
Total Transfer to Grower Account	\$ 345,762.96